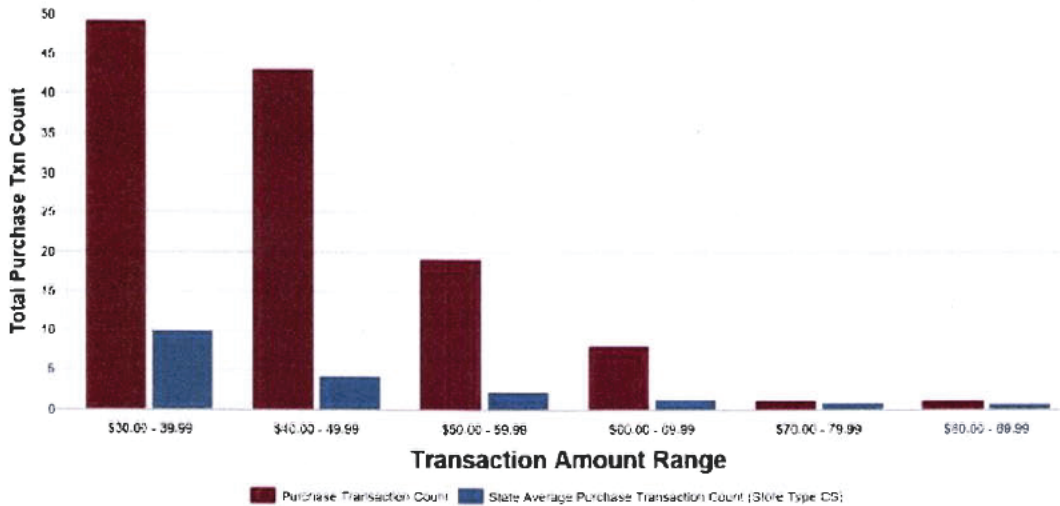


Sensitive but Unclassified

B. Graphical Reports

In the graph below, the firm was compared to other convenience stores in Harris county. It was noticed that during the review period, the subject store had higher transaction amounts in almost all transactions ranging from \$30 to \$89.99. Therefore, this is clearly an indication that this store is trafficking SNAP benefits(see below).

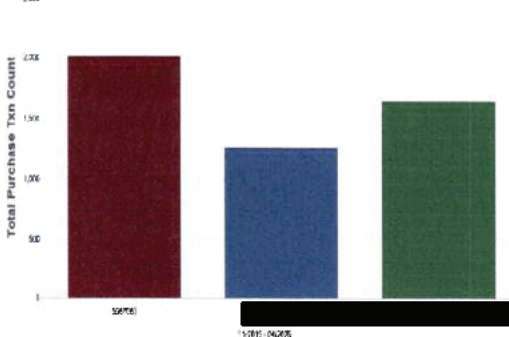
Transaction Spread Comparison - FNS Number: 5987083, Reporting Period: 11/2019 - 04/2020, Min Txn Amount: 30.00, Max Txn Amount: 89.99, Store Type compared: CS, Counties: HARRIS



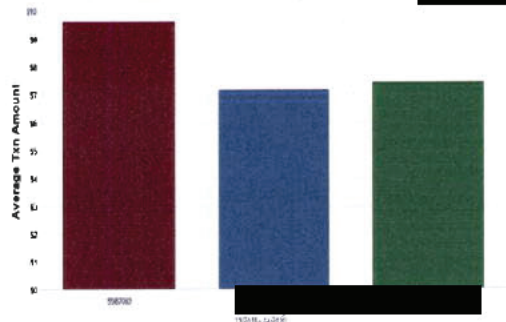
Z's Food Mart, was also compared to 2 other convenience stores in close proximity to the subject store. It is evident that the subject store had a larger Total Purchase Txn Count, Average Txn Amount, and Dollar Volume. Also, hits in Scan B2 and Scan F were higher when compared to the competition.

Scan Flag Comparison for FNS Number: 5987083 - ZS FOOD MART																
FNS Number	Store Name	Store Type	Current WL Status	WL Status Date	ALERT Rank Average	Total Purchase Txn Count	Average Txn Amount	Dollar Volume	A	A2	B1	B2	C	D	F	FM
5987083	ZS FOOD MART	CS	Open	09/03/2020	3.49	2,000	\$9.05	\$19,388.01	0	4	0	21	7	0	110	5.48%
		CS			0.09	1,254	\$7.20	\$9,026.22	0	0	0	0	0	0	0	0.48%
		CS			0.20	1,841	\$7.44	\$12,211.88	0	0	0	1	0	0	17	1.04%

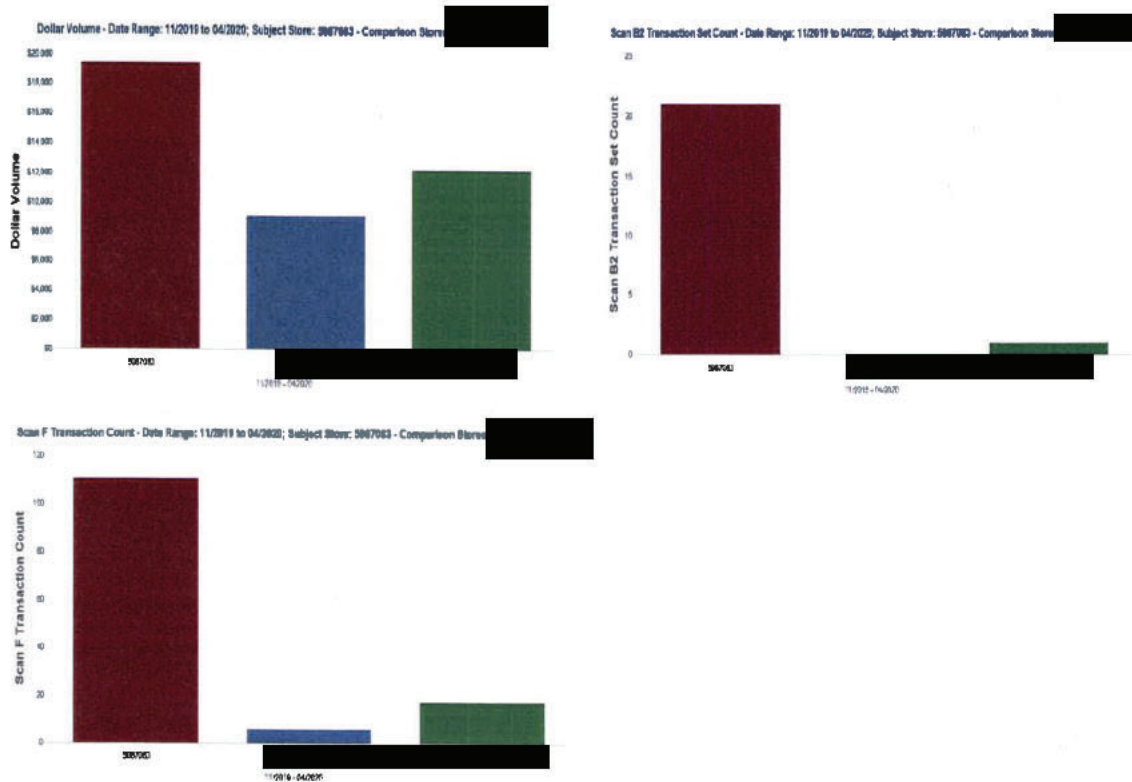
Total Purchase Txn Count - Date Range: 11/2019 to 04/2020; Subject Store: 5987083 - Comparison Store: [REDACTED]



Average Txn Amount - Date Range: 11/2019 to 04/2020; Subject Store: 5987083 - Comparison Store: [REDACTED]



Sensitive but Unclassified



C. Individual Household Analysis

A review of the store visit photos revealed nothing at **Z's Food Market**, that could not be obtained at other nearby stores. The subject store has nothing selling over \$10. There is only 1 cash register, 1 POS device, and no known meat bundles, seafood specials, and or fruit/vegetable boxes. There are plenty of comparable convenience stores in the area selling similar food products including a better stocked medium grocery store(SVC photos have been uploaded to RFS).

3 households were selected from the attachments to review and analyze their shopping patterns and behavior at **Z's Food Market**. All 3 clients conducted transactions at the subject store and at large superstores/supermarkets during the review period.

For each of the households identified in the Individual Household Analysis below, the household's recorded home addresses were obtained from the State Administrative Terminal (if available). An analysis of the household address information was completed during the case analysis.

Sensitive but Unclassified

First Household- **4166- this household had access to superstores and supermarkets during the review period. The graph below shows the amounts spent in November 2019, December 2019, January 2020, and February 2020 at **Z's Food Mart**. The subject store is a small convenience store with very inexpensive food items. Therefore why would they be making repeated visits to the subject store within days from a visit to a large supermarket or superstore?

FNS Number	Store Name	Store Type	Store State	Date/Time	Amount	Household Number	Txn Method	Txn Type
5987083	ZS FOOD MART	CS	TX	11/12/2019 09:48:04 PM	\$59.67		Swipe	Purchase
		SS	TX	11/13/2019 04:41:54 PM	\$82.11		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	11/13/2019 05:59:24 PM	\$39.81		Swipe	Purchase
		SM	TX	11/14/2019 05:55:06 PM	\$6.59		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/12/2019 07:17:18 PM	\$62.89		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/12/2019 09:23:08 PM	\$3.18		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/13/2019 06:26:44 PM	\$39.81		Swipe	Purchase
		SS	TX	12/15/2019 06:03:54 PM	\$60.18		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/17/2019 06:49:43 PM	\$19.95		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/11/2020 06:40:53 PM	\$29.41		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/11/2020 06:58:58 PM	\$27.89		Swipe	Purchase
		SS	TX	01/12/2020 01:08:03 PM	\$46.74		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/12/2020 01:43:57 PM	\$45.53		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/12/2020 08:38:45 PM	\$19.91		Swipe	Purchase
		SM	TX	01/14/2020 04:13:05 PM	\$12.84		Swipe	Purchase
		SM	TX	02/12/2020 08:15:29 PM	\$30.77		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/12/2020 09:35:43 PM	\$49.47		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/13/2020 08:44:02 PM	\$52.05		Swipe	Purchase
		CS	TX	02/22/2020 12:54:18 PM	\$6.00		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/22/2020 09:06:29 PM	\$44.76		Swipe	Purchase

Sensitive but Unclassified

The table below shows 6 other stores that were visited by this household. It was noticed that the other stores that were visited had no scan hits only **Zs Food Mart**(see below).

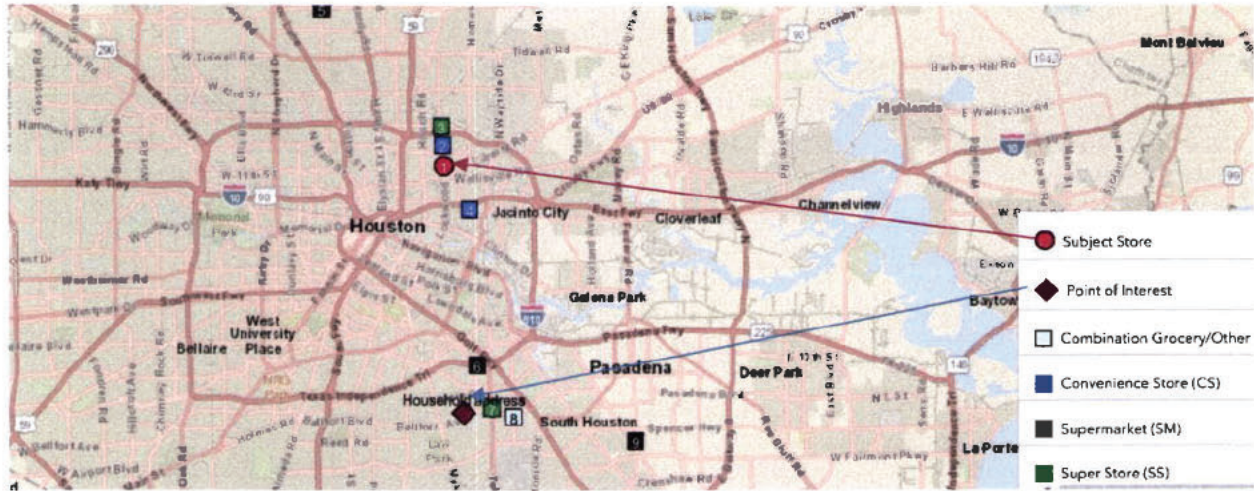
Household Activity Map for FNS Number: 5987083 - ZS FOOD MART; Household Number [REDACTED]													
Map Point	FNS Number	Store Name	Store Type	Total HH Purchase Txn Count	Total HH Flagged Txn Count	A	A2	B1	B2	C	D	F	Distance (miles)
1	5987083	ZS FOOD MART	CS	13	10	0	0	0	3	0	0	0	0.0
2	[REDACTED]	[REDACTED]	CS	1	0	0	0	0	0	0	0	0	0.36
3	[REDACTED]	[REDACTED]	SM	5	0	0	0	0	0	0	0	0	1.06
4	[REDACTED]	[REDACTED]	SS	2	0	0	0	0	0	0	0	0	1.18
5	[REDACTED]	[REDACTED]	SS	3	0	0	0	0	0	0	0	0	1.31
6	[REDACTED]	[REDACTED]	CA	1	0	0	0	0	0	0	0	0	1.33
7	[REDACTED]	[REDACTED]	SS	1	0	0	0	0	0	0	0	0	17.08

Second Household- **0548 this household had access to 2 well stocked supermarket during the review period. The graph below shows the amounts spent in November 2019 and April 2020 at Z's Food Mart. The subject store is a small convenience store with limited stock. It is suspicious to see repeated visits to this store when the most expensive item seen during the store visit was under \$10. Therefore, what are they purchasing at the subject store??

FNS Number	Store Name	Store Type	Store State	Date/Time	Amount	Household Number	Txn Method	Txn Type
[REDACTED]	[REDACTED]	SM	TX	11/08/2019 09:12:18 PM	\$123.86	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	11/08/2019 09:39:58 PM	\$43.92	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	11/09/2019 07:03:07 PM	\$33.08	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	11/09/2019 07:47:51 PM	\$22.89	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	11/10/2019 03:04:19 PM	\$33.98	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	11/10/2019 07:23:22 PM	\$39.82	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	04/01/2020 08:46:55 PM	\$53.47	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	04/01/2020 09:23:53 PM	\$14.53	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	04/02/2020 06:52:03 PM	\$39.81	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	04/02/2020 07:48:22 PM	\$19.81	[REDACTED]	Swipe	Purchase
[REDACTED]	[REDACTED]	SM	TX	04/02/2020 07:57:57 PM	\$129.00	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	04/13/2020 08:17:10 PM	\$52.55	[REDACTED]	Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	04/14/2020 05:44:09 PM	\$46.19	[REDACTED]	Swipe	Purchase

Sensitive but Unclassified

The ALERT map below shows the household's reported residence (diamond symbol) and some of the stores the household visited during the review period. This household's residence is not in close proximity to the subject store. In fact, this household's residence is right next to [REDACTED] a large superstore. Therefore, why are they making suspicious similar dollar transactions at Zs Food Mart when they have access to better stocked stores?



The table below shows 10 other stores that were visited by this household. It was noticed that the other stores that were visited had no scan hits only Zs Food Mart(see below).

Household Activity Map for FNS Number: 5987083 - ZS FOOD MART; Household Number [REDACTED]													
Map Point	FNS Number	Store Name	Store Type	Total HH Purchase Txn Count	Total HH Flagged Txn Count	A	A2	B1	B2	C	D	F	Distance (miles)
1	5987083	ZS FOOD MART	CS	14	0	0	1	0	0	1	0	0	0.0
2	[REDACTED]	[REDACTED]	CS	2	0	0	0	0	0	0	0	0	0.71
3	[REDACTED]	[REDACTED]	SS	6	0	0	0	0	0	0	0	0	1.31
4	[REDACTED]	[REDACTED]	CS	1	0	0	0	0	0	0	0	0	1.71
5	[REDACTED]	[REDACTED]	SM	3	0	0	0	0	0	0	0	0	5.67
6	[REDACTED]	[REDACTED]	SM	2	0	0	0	0	0	0	0	0	6.8
7	[REDACTED]	[REDACTED]	SS	2	0	0	0	0	0	0	0	0	6.32
8	[REDACTED]	[REDACTED]	CA	1	0	0	0	0	0	0	0	0	8.76
9	[REDACTED]	[REDACTED]	SM	1	0	0	0	0	0	0	0	0	11.33
10	[REDACTED]	[REDACTED]	CS	2	0	0	0	0	0	0	0	0	11.66
11	[REDACTED]	[REDACTED]	SM	1	0	0	0	0	0	0	0	0	11.07

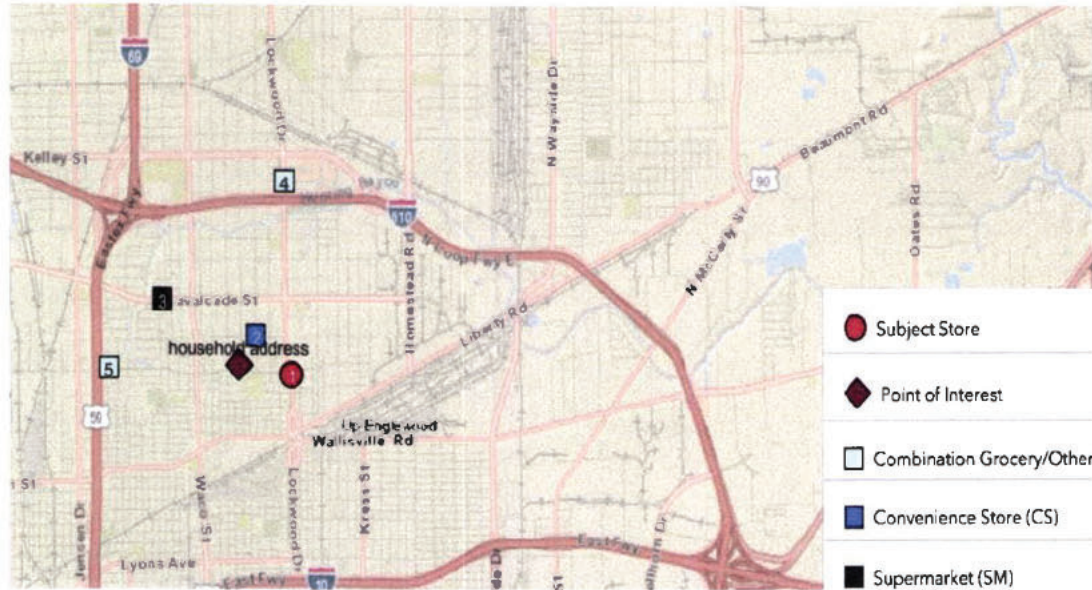
Sensitive but Unclassified

Third Household-9614** this household had access to a well stocked supermarket during the review period. The graph below shows the amounts spent in December 2019 and January 2020 at **Z's Food Mart**. The subject store is a small convenience store with limited stock. It is suspicious to see repeated visits to this store when the most expensive item seen during the store visit was under \$10. Therefore, what are they purchasing at the subject store??

FNS Number	Store Name	Store Type	Store State	Date/Time	Amount	Household Number	Txn Method	Txn Type
5987083	ZS FOOD MART	CS	TX	12/07/2019 07:13:26 PM	\$41.98		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/07/2019 09:20:24 PM	\$52.79		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/09/2019 07:35:48 PM	\$9.28		Swipe	Purchase
		SM	TX	12/10/2019 01:55:49 PM	\$26.94		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/11/2019 06:30:43 PM	\$22.89		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/12/2019 09:23:47 PM	\$19.71		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	12/13/2019 06:31:38 PM	\$19.87		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/07/2020 05:21:06 PM	\$68.30		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/07/2020 07:33:45 PM	\$52.55		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/10/2020 06:15:55 PM	\$8.54		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/10/2020 06:27:45 PM	\$32.89		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/16/2020 09:54:27 PM	\$7.92		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/22/2020 07:17:30 PM	\$21.50		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	01/22/2020 07:18:16 PM	\$2.99		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/07/2020 09:50:25 PM	\$49.81		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/10/2020 10:42:36 PM	\$44.37		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/13/2020 07:47:53 PM	\$39.81		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/13/2020 08:42:15 PM	\$8.31		Swipe	Purchase
5987083	ZS FOOD MART	CS	TX	02/15/2020 12:30:43 PM	\$2.79		Swipe	Purchase

Sensitive but Unclassified

The ALERT map below shows the household's reported residence (diamond symbol) and some of the stores the household visited during the review period. This household's residence is fairly close to the subject store, however, there is a large supermarket not too far away. Therefore, why are they making suspicious dollar transactions at Zs Food Mart when they have access to better stocked stores?



The table below shows 4 other stores that were visited by this household. It was noticed that the other stores that were visited had no scan hits only **Zs Food Mart**(see below).

Household Activity Map for FNS Number: 5987083 - ZS FOOD MART; Household Number: [REDACTED]													
Map Point	FNS Number	Store Name	Store Type	Total HH Purchase Tm Count	Total HH Flagged Tm Count	A	A2	B1	B2	C	D	F	Distance (miles)
1	5987083	ZS FOOD MART	CS	23	0	0	0	0	2	0	0	0	0.0
		[REDACTED]	CS	2	0	0	0	0	0	0	0	0	0.36
		[REDACTED]	SM	1	0	0	0	0	0	0	0	0	1.06
		[REDACTED]	CA	1	0	0	0	0	0	0	0	0	1.22
		[REDACTED]	CA	4	0	0	0	0	0	0	0	0	1.33

VII. Conclusion and Recommendations

Based on the analysis of transaction data for **ZS FOOD MART** during the period 11/2019 - 04/2020, we have established clear and repetitive patterns of unusual, irregular, and inexplicable SNAP activity, which would warrant issuance of a trafficking charge letter.



United States Department of Agriculture
Food and Nutrition Service
Supplemental Nutrition Assistance Program

June 12, 2020

Naghma B Shaikh, BASHIR SHAIKH
ZS FOOD MART
3719 LOCKWOOD
HOUSTON, TX 77026

Dear Sir or Madam:

The United States Department of Agriculture Food and Nutrition Service (FNS) has compiled evidence that your firm has violated the Supplemental Nutrition Assistance Program (SNAP) regulations. Analysis of the records reveal Electronic Benefit Transfer (EBT) transactions that establish clear and repetitive patterns of unusual, irregular, and inexplicable activity for your type of firm. A listing of such transactions is enclosed.

Based on this information, we are charging your firm with trafficking, as defined in Section 271.2 of the SNAP regulations. As provided by Section 278.6(e)(1) of the SNAP regulations, the sanction for trafficking is permanent disqualification. These transactions occurred during the months of November 2019 - April 2020.

1. In a series of Supplemental Nutrition Assistance Program EBT transactions, multiple transactions were made from the accounts of individual SNAP households within a set time period. These transactions are listed in Attachment 1.
2. In a series of Supplemental Nutrition Assistance Program EBT transactions, your store conducted EBT transactions that are large based on the observed store characteristics and recorded food stock. These transactions are listed in Attachment 2.

If it is determined that your firm committed the trafficking violations noted above, it will be permanently disqualified from the Supplemental Nutrition Assistance Program as provided by SNAP regulations, Section 278.6(e)(1). Civil or criminal action may also be taken against you by the United States Attorney. In addition, a fiscal claim may be assessed to recover the monetary losses to the Federal Government resulting from trafficking violations.

The SNAP regulations also provide that, under certain conditions, FNS may impose a civil money penalty (CMP) of up to \$59,000.00 in lieu of permanent disqualification of a firm for trafficking. The SNAP regulations, Section 278.6(i), list the criteria that you must meet in order to be considered for a CMP. If you request a CMP, you must meet each of the four criteria listed and provide the documentation as specified within 10 calendar days of your receipt of this letter. No extension of time can be granted for making a request for a CMP or for providing the required documentation. Your request and all documentation must be postmarked by midnight of the 10th calendar day after you receive this letter, in order to be considered timely. If the 10th calendar day falls on a Saturday, Sunday or legal (Federal) holiday, a request with documentation, will be timely if it is postmarked

the next day which is not a Saturday, Sunday or legal (Federal) holiday. If your request and the required documentation are not submitted on time, you will lose your right for any further consideration for a CMP. If it is determined that you qualify for a CMP, the amount of that penalty will be \$17,580.00. Payment in full is due within 30 calendar days after you receive our determination letter. The amount of the CMP was calculated in accordance with SNAP regulations at Section 278.6(j).

If you do not request consideration for a CMP or are determined to be ineligible for a CMP, the permanent disqualification of your firm shall be effective on the date of receipt of the letter informing you of our final decision (SNAP regulations, Section 278.6(c)). If the permanent disqualification of your firm is later reversed through administrative or judicial review, USDA shall not be liable for the value of any sales lost during the period of disqualification you served.

If you are an authorized vendor under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), you may be disqualified from the WIC Program as a result of your disqualification from SNAP. In accordance with current law governing both the SNAP and the WIC Program, such a WIC Program disqualification is not subject to administrative or judicial review under the WIC Program. A CMP from the Supplemental Nutrition Assistance Program may also result in a WIC Program disqualification, but such a disqualification would be subject to administrative and/or judicial review.

In the event that you sell or transfer ownership of your store subsequent to your disqualification, you will be subject to and liable for a CMP as provided by SNAP regulations, Sections 278.6(f) (2),(3) and (4). The amount of this sale or transfer CMP will be calculated based on SNAP regulations, Section 278.6(g).

We may disclose information to the public when a retailer has been disqualified or otherwise sanctioned for violations after the time for any appeals has expired. This information is limited to the name and address of the store, the owner(s)/officer(s) names and information about the sanction itself.

SNAP regulations Section 278.6(b) explain your right to reply to the charges, and Sections 278.6(c) through (m) describes the procedures we will follow in making a decision in this case. If you wish to present any information, explanation, or evidence you have regarding these charges, you must reply within 10 calendar days of the date you receive this letter.

You may reply either by phone or in writing. You may have legal counsel assist you in presenting your reply. If you will be represented by a third party, you must provide a Letter of Representation, signed by the owner, authorizing FNS to communicate with the representative. To respond by phone, please make an appointment for this purpose by telephoning Berenice Rojo at (213) 330-2445. If you schedule but fail to keep an appointment, we will consider that action as a non-response to this letter.

Submit any written response to:

Attn: Berenice Rojo
USDA, Food and Nutrition Service

Phone: (213) 330-2445 Fax: (844) 202-0928
Email: berenice.rojo@usda.gov

We will fully consider your reply and any documentation you provide before we make a final decision in this matter. However, if we do not hear from you within 10 calendar days of receipt of this letter, we will make a decision based on the information available to us, and advise you of that decision in writing.

Any documentation submitted becomes the property of FNS and will not be returned.

Current SNAP regulations are available online, at <https://www.fns.usda.gov/snap/retailers-store-training-information>.

Sincerely,



Sanela Ocanovic
Section Chief, Retailer Operations Division
USDA, Food and Nutrition Service
Supplemental Nutrition Assistance Program

Enclosure

Attachment 1

5987083 : ZS FOOD MART

06/12/2020

In a series of Supplemental Nutrition Assistance Program EBT transactions, multiple transactions were made from the accounts of individual SNAP households within a set time period.

	Terminal	Date	Time	Household	Amount	Method	Type
1	00146534	12/11/2019	05:21:48 PM	*****8466	39.83	Swipe	Purchase
2	00146534	12/11/2019	05:38:47 PM	*****8466	39.46	Swipe	Purchase
Total Flagged Transactions: 2		Total Time: 00:16:59		Amount: \$79.29			
	Terminal	Date	Time	Household	Amount	Method	Type
3	00146534	04/15/2020	04:45:21 PM	*****6416	59.38	Swipe	Purchase
4	00146534	04/15/2020	05:11:52 PM	*****6416	21.29	Swipe	Purchase
Total Flagged Transactions: 2		Total Time: 00:26:31		Amount: \$80.67			
	Terminal	Date	Time	Household	Amount	Method	Type
5	00146534	01/05/2020	03:04:14 PM	*****4182	55.98	Swipe	Purchase
6	00146534	01/05/2020	03:40:49 PM	*****4182	35.71	Swipe	Purchase
Total Flagged Transactions: 2		Total Time: 00:36:35		Amount: \$91.69			
	Terminal	Date	Time	Household	Amount	Method	Type
7	00792081	03/09/2020	09:35:56 PM	*****6690	47.89	Swipe	Purchase
8	00792081	03/09/2020	10:25:17 PM	*****6690	27.19	Swipe	Purchase
Total Flagged Transactions: 2		Total Time: 00:49:21		Amount: \$75.08			
	Terminal	Date	Time	Household	Amount	Method	Type
9	00146534	12/07/2019	07:13:26 PM	*****9614	41.98	Swipe	Purchase
10	00146534	12/07/2019	09:20:24 PM	*****9614	52.79	Swipe	Purchase
Total Flagged Transactions: 2		Total Time: 02:06:58		Amount: \$94.77			
	Terminal	Date	Time	Household	Amount	Method	Type
11	00146534	04/13/2020	05:29:06 PM	*****1718	47.89	Swipe	Purchase
12	00146534	04/13/2020	07:39:28 PM	*****1718	34.37	Swipe	Purchase
Total Flagged Transactions: 2		Total Time: 02:10:22		Amount: \$82.26			
	Terminal	Date	Time	Household	Amount	Method	Type
13	00146534	01/07/2020	05:21:06 PM	*****9614	68.30	Swipe	Purchase
14	00146534	01/07/2020	07:33:45 PM	*****9614	52.55	Swipe	Purchase
Total Flagged Transactions: 2		Total Time: 02:12:39		Amount: \$120.85			
	Terminal	Date	Time	Household	Amount	Method	Type
15	00146534	11/13/2019	05:00:33 PM	*****3178	43.21	Swipe	Purchase
16	00146534	11/13/2019	05:32:33 PM	*****3178	21.49	Swipe	Purchase
17	00146534	11/13/2019	07:19:12 PM	*****3178	21.51	Swipe	Purchase
Total Flagged Transactions: 3		Total Time: 02:18:39		Amount: \$86.21			

Attachment 1

5987083 : ZS FOOD MART

06/12/2020

	Terminal	Date	Time	Household	Amount	Method	Type
18	00146534	04/21/2020	05:44:55 PM	*****4558	66.25	Swipe	Purchase
19	00146534	04/21/2020	07:31:07 PM	*****4558	39.81	Swipe	Purchase
20	00146534	04/21/2020	08:08:20 PM	*****4558	20.11	Swipe	Purchase
Total Flagged Transactions: 3			Total Time: 02:23:25		Amount: \$126.17		
	Terminal	Date	Time	Household	Amount	Method	Type
21	00792081	02/01/2020	08:54:58 PM	*****9960	49.81	Swipe	Purchase
22	00792081	02/01/2020	11:21:57 PM	*****9960	32.37	Swipe	Purchase
Total Flagged Transactions: 2			Total Time: 02:26:59		Amount: \$82.18		
	Terminal	Date	Time	Household	Amount	Method	Type
23	00146534	04/15/2020	06:30:10 PM	*****8926	39.81	Swipe	Purchase
24	00146534	04/15/2020	09:31:40 PM	*****8926	40.29	Swipe	Purchase
Total Flagged Transactions: 2			Total Time: 03:01:30		Amount: \$80.10		
	Terminal	Date	Time	Household	Amount	Method	Type
25	00146534	11/20/2019	09:51:39 PM	*****5067	69.95	Swipe	Purchase
26	00146534	11/21/2019	03:37:30 PM	*****5067	31.27	Swipe	Purchase
Total Flagged Transactions: 2			Total Time: 17:45:51		Amount: \$101.22		
	Terminal	Date	Time	Household	Amount	Method	Type
27	00146534	01/11/2020	06:40:53 PM	*****4166	29.41	Swipe	Purchase
28	00146534	01/11/2020	06:58:58 PM	*****4166	27.89	Swipe	Purchase
29	00146534	01/12/2020	01:43:57 PM	*****4166	45.53	Swipe	Purchase
Total Flagged Transactions: 3			Total Time: 19:03:04		Amount: \$102.83		
	Terminal	Date	Time	Household	Amount	Method	Type
30	00146534	01/12/2020	08:08:23 PM	*****6997	65.60	Swipe	Purchase
31	00146534	01/13/2020	06:07:18 PM	*****6997	37.38	Swipe	Purchase
Total Flagged Transactions: 2			Total Time: 21:58:55		Amount: \$102.98		
	Terminal	Date	Time	Household	Amount	Method	Type
32	00146534	01/03/2020	07:14:55 PM	*****8461	51.94	Swipe	Purchase
33	00146534	01/03/2020	09:23:02 PM	*****8461	27.89	Swipe	Purchase
34	00146534	01/04/2020	05:30:59 PM	*****8461	20.19	Swipe	Purchase
Total Flagged Transactions: 3			Total Time: 22:16:04		Amount: \$100.02		
	Terminal	Date	Time	Household	Amount	Method	Type
35	00146534	04/13/2020	08:06:58 PM	*****9885	29.87	Swipe	Purchase
36	00146534	04/13/2020	08:27:39 PM	*****9885	37.27	Swipe	Purchase
37	00146534	04/13/2020	09:05:22 PM	*****9885	20.87	Swipe	Purchase
38	00146534	04/14/2020	05:39:36 PM	*****9885	48.39	Swipe	Purchase
39	00146534	04/14/2020	07:07:11 PM	*****9885	20.51	Swipe	Purchase
Total Flagged Transactions: 5			Total Time: 23:00:13		Amount: \$156.91		

5987083 : ZS FOOD MART

A.R. 277
2 of 5

Attachment 1

5987083 : ZS FOOD MART

06/12/2020

	Terminal	Date	Time	Household	Amount	Method	Type
40	00146534	11/18/2019	08:04:39 PM	*****3334	41.32	Swipe	Purchase
41	00146534	11/18/2019	08:30:35 PM	*****3334	21.10	Swipe	Purchase
42	00146534	11/19/2019	05:35:05 PM	*****3334	27.31	Swipe	Purchase
43	00146534	11/19/2019	07:06:47 PM	*****3334	26.45	Swipe	Purchase

Total Flagged Transactions: 4 Total Time: 23:02:08 Amount: \$116.18

	Terminal	Date	Time	Household	Amount	Method	Type
44	00792081	02/12/2020	09:35:43 PM	*****4166	49.47	Swipe	Purchase
45	00792081	02/13/2020	08:44:02 PM	*****4166	52.05	Swipe	Purchase

Total Flagged Transactions: 2 Total Time: 23:08:19 Amount: \$101.52

	Terminal	Date	Time	Household	Amount	Method	Type
46	00146534	12/12/2019	07:17:18 PM	*****4166	62.89	Swipe	Purchase
47	00146534	12/13/2019	06:26:44 PM	*****4166	39.81	Swipe	Purchase

Total Flagged Transactions: 2 Total Time: 23:09:26 Amount: \$102.70

	Terminal	Date	Time	Household	Amount	Method	Type
48	00146534	11/02/2019	08:01:30 PM	*****9960	52.94	Swipe	Purchase
49	00146534	11/03/2019	03:30:58 PM	*****9960	24.75	Swipe	Purchase
50	00146534	11/03/2019	07:20:43 PM	*****9960	25.25	Swipe	Purchase

Total Flagged Transactions: 3 Total Time: 23:19:13 Amount: \$102.94

	Terminal	Date	Time	Household	Amount	Method	Type
51	00146534	12/09/2019	05:54:43 PM	*****9815	47.86	Swipe	Purchase
52	00146534	12/09/2019	08:40:48 PM	*****9815	33.41	Swipe	Purchase
53	00146534	12/10/2019	05:20:25 PM	*****9815	38.73	Swipe	Purchase

Total Flagged Transactions: 3 Total Time: 23:25:42 Amount: \$120.00

Total Flagged Sets: 21

Total Flagged Transactions: 53

Total Amount: \$2,106.57

In a series of Supplemental Nutrition Assistance Program EBT transactions, your store conducted EBT transactions that are large based on the observed store characteristics and recorded food stock.

	Terminal	Date	Time	Household	Amount	Method
54	00146534	01/22/2020	07:16:00 PM	*****9829	89.41	Swipe
55	00146534	01/19/2020	05:20:43 PM	*****9829	72.59	Swipe
56	00146534	11/20/2019	09:51:39 PM	*****5067	69.95	Swipe
57	00146534	01/07/2020	05:21:06 PM	*****9614	68.30	Swipe
58	00146534	04/21/2020	05:44:55 PM	*****4558	66.25	Swipe
59	00146534	01/12/2020	08:08:23 PM	*****6997	65.60	Swipe
60	00792081	03/12/2020	09:58:41 PM	*****0487	65.40	Swipe
61	00146534	12/30/2019	09:24:53 PM	*****1590	63.44	Swipe
62	00146534	12/12/2019	07:17:18 PM	*****4166	62.89	Swipe
63	00146534	11/25/2019	10:04:29 PM	*****0486	61.37	Swipe
64	00792081	02/14/2020	07:08:08 PM	*****5695	59.93	Swipe
65	00146534	04/06/2020	07:45:13 PM	*****2870	59.89	Swipe
66	00146534	01/07/2020	07:32:29 PM	*****8184	59.86	Swipe
67	00146534	04/13/2020	06:30:58 PM	*****1707	59.84	Swipe
68	00146534	04/17/2020	09:11:04 PM	*****9829	59.78	Swipe
69	00146534	12/03/2019	09:48:12 PM	*****8080	59.71	Swipe
70	00146534	11/12/2019	09:48:04 PM	*****4166	59.67	Swipe
71	00792081	02/12/2020	07:30:20 PM	*****0487	59.49	Swipe
72	00146534	04/06/2020	05:43:50 PM	*****0083	59.44	Swipe
73	00146534	04/15/2020	04:45:21 PM	*****6416	59.38	Swipe
74	00146534	01/05/2020	03:04:14 PM	*****4182	55.98	Swipe
75	00146534	04/01/2020	08:46:55 PM	*****8080	53.47	Swipe
76	00146534	11/02/2019	08:01:30 PM	*****9960	52.94	Swipe
77	00146534	12/07/2019	09:20:24 PM	*****9614	52.79	Swipe
78	00146534	01/07/2020	07:33:45 PM	*****9614	52.55	Swipe
79	00146534	04/13/2020	08:17:10 PM	*****8080	52.55	Swipe
80	00146534	11/17/2019	09:09:06 PM	*****9829	52.35	Swipe
81	00792081	02/13/2020	08:44:02 PM	*****4166	52.05	Swipe
82	00146534	01/03/2020	07:14:55 PM	*****8461	51.94	Swipe
83	00146534	12/03/2019	08:50:15 PM	*****3340	49.92	Swipe
84	00146534	11/15/2019	09:45:11 PM	*****9829	49.83	Swipe
85	00146534	12/09/2019	08:45:41 PM	*****5081	49.81	Manual
86	00146534	01/09/2020	08:38:34 PM	*****1401	49.81	Swipe
87	00792081	02/01/2020	08:54:58 PM	*****9960	49.81	Swipe
88	00792081	02/07/2020	09:50:25 PM	*****9614	49.81	Swipe
89	00792081	02/17/2020	09:36:28 PM	*****1737	49.81	Swipe
90	00146534	12/12/2019	06:16:03 PM	*****5067	49.79	Swipe
91	00792081	03/03/2020	11:06:44 PM	*****5931	49.71	Swipe
92	00792081	02/12/2020	09:35:43 PM	*****4166	49.47	Swipe
93	00792081	03/14/2020	07:53:52 PM	*****1781	49.47	Swipe
94	00146534	01/17/2020	05:35:41 PM	*****3178	49.39	Swipe
95	00146534	11/11/2019	04:50:52 PM	*****8466	49.31	Swipe
96	00146534	04/14/2020	05:39:36 PM	*****9885	48.39	Swipe
97	00146534	12/18/2019	07:36:56 PM	*****9275	47.89	Swipe
98	00792081	03/09/2020	09:35:56 PM	*****6690	47.89	Swipe
99	00792081	04/07/2020	08:29:31 PM	*****7603	47.89	Swipe
100	00146534	04/13/2020	05:29:06 PM	*****1718	47.89	Swipe
101	00146534	12/09/2019	05:54:43 PM	*****9815	47.86	Swipe
102	00792081	04/12/2020	12:13:14 PM	*****8530	47.83	Swipe
103	00146534	04/14/2020	05:44:09 PM	*****8080	46.19	Swipe
104	00146534	01/12/2020	01:43:57 PM	*****4166	45.53	Swipe
105	00146534	01/16/2020	06:29:31 PM	*****9829	45.06	Swipe
106	00146534	04/14/2020	09:36:47 PM	*****9213	44.89	Swipe
107	00146534	04/17/2020	04:42:32 PM	*****3785	44.89	Manual
108	00792081	02/22/2020	09:06:29 PM	*****4166	44.76	Swipe
109	00792081	02/10/2020	10:42:36 PM	*****9614	44.37	Swipe

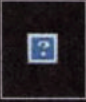
Attachment 2
5987083 : ZS FOOD MART

06/12/2020

	Terminal	Date	Time	Household	Amount	Method
110	00146534	11/08/2019	09:39:58 PM	*****8080	43.92	Swipe
111	00792081	04/17/2020	03:04:01 PM	*****0541	43.64	Swipe
112	00146534	12/21/2019	05:57:33 PM	*****3582	43.50	Swipe
113	00146534	01/05/2020	04:33:58 PM	*****7508	43.23	Swipe
114	00146534	11/13/2019	05:00:33 PM	*****3178	43.21	Swipe
115	00792081	02/15/2020	06:35:56 PM	*****0541	43.09	Swipe
116	00146534	01/11/2020	05:34:56 PM	*****6303	42.69	Swipe
117	00146534	12/07/2019	07:13:26 PM	*****9614	41.98	Swipe
118	00792081	04/12/2020	04:38:33 PM	*****0487	41.40	Swipe
119	00146534	11/18/2019	08:04:39 PM	*****3334	41.32	Swipe
120	00146534	01/08/2020	08:24:32 PM	*****7508	40.59	Swipe
121	00146534	01/12/2020	05:40:05 PM	*****9629	40.49	Swipe
122	00146534	04/15/2020	09:31:40 PM	*****8926	40.29	Swipe
123	00146534	04/29/2020	05:17:57 PM	*****5615	40.19	Swipe
124	00146534	11/18/2019	08:29:07 PM	*****5279	40.06	Swipe
125	00792081	02/16/2020	08:50:25 PM	*****3099	40.01	Swipe
126	00146534	04/13/2020	06:08:41 PM	*****4567	39.97	Swipe
127	00146534	11/03/2019	08:37:17 PM	*****5081	39.92	Manual
128	00146534	01/07/2020	08:51:04 PM	*****7508	39.89	Swipe
129	00146534	01/20/2020	09:31:00 PM	*****6888	39.89	Swipe
130	00146534	12/08/2019	05:21:31 PM	*****4182	39.87	Swipe
131	00146534	04/06/2020	05:07:37 PM	*****0432	39.87	Swipe
132	00792081	04/09/2020	06:44:17 PM	*****5695	39.84	Swipe
133	00146534	12/11/2019	05:21:48 PM	*****8466	39.83	Swipe
134	00146534	11/10/2019	07:23:22 PM	*****8080	39.82	Swipe
135	00146534	11/13/2019	05:59:24 PM	*****4166	39.81	Swipe
136	00146534	12/13/2019	06:26:44 PM	*****4166	39.81	Swipe
137	00146534	12/22/2019	02:01:42 PM	*****3582	39.81	Swipe
138	00146534	01/11/2020	05:38:55 PM	*****8466	39.81	Swipe
139	00146534	02/13/2020	07:47:53 PM	*****9614	39.81	Swipe
140	00792081	03/14/2020	07:15:11 PM	*****9815	39.81	Swipe
141	00792081	04/02/2020	06:52:03 PM	*****8080	39.81	Swipe
142	00146534	04/14/2020	06:51:41 PM	*****8167	39.81	Swipe
143	00146534	04/15/2020	06:30:10 PM	*****8926	39.81	Swipe
144	00146534	04/21/2020	07:31:07 PM	*****4558	39.81	Swipe
145	00146534	02/15/2020	08:11:53 PM	*****6519	39.67	Swipe
146	00146534	12/11/2019	05:38:47 PM	*****8466	39.46	Swipe
147	00146534	01/03/2020	08:38:50 PM	*****5081	39.41	Swipe
148	00792081	02/09/2020	04:38:18 PM	*****6885	39.41	Swipe
149	00146534	12/10/2019	05:20:25 PM	*****9815	38.73	Swipe
150	00146534	12/19/2019	05:49:11 PM	*****9275	38.19	Swipe
151	00146534	04/11/2020	05:38:25 PM	*****3785	37.81	Swipe
152	00146534	01/13/2020	06:07:18 PM	*****6997	37.38	Swipe
153	00146534	04/13/2020	08:27:39 PM	*****9885	37.27	Swipe
154	00146534	04/25/2020	06:49:06 PM	*****1259	36.26	Swipe
155	00146534	01/05/2020	03:40:49 PM	*****4182	35.71	Swipe
156	00792081	02/10/2020	09:48:34 PM	*****9815	35.18	Swipe
157	00146534	04/13/2020	07:39:28 PM	*****1718	34.37	Swipe
158	00146534	11/06/2019	07:05:02 PM	*****4182	34.00	Swipe
159	00146534	11/10/2019	03:04:19 PM	*****8080	33.98	Swipe
160	00146534	12/09/2019	08:40:48 PM	*****9815	33.41	Swipe
161	00146534	11/09/2019	07:03:07 PM	*****8080	33.08	Swipe
162	00146534	12/05/2019	08:01:32 PM	*****1212	32.90	Swipe
163	00146534	01/10/2020	06:27:45 PM	*****9614	32.89	Swipe

Total Flagged Transactions: 110
Total Amount: \$5,171.80

From: [UPS Quantum View](#)
To: [Rojo, Berenice - FNS](#)
Subject: UPS Delivery Notification, Tracking Number 1ZA18E032496205100
Date: Monday, June 15, 2020 8:26:46 AM



Hello, your package has been delivered.

Delivery Date: Monday, 06/15/2020

Delivery Time: 10:23 AM

Left At: OTHER-RELEAS

USDA/FNS/ROD

Tracking Number:

[1ZA18E032496205100](#)

Ship To:

Z'S FOOD MART
3719 LOCKWOOD
HOUSTON, TX 770265475
US

Number of Packages:

1

UPS Service:

UPS Next Day Air?

Package Weight:

0.0 LBS



[Download the UPS mobile app](#)

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Clyde W. Burleson, P.C.

Attorneys and Counselors at Law

1533 W. Alabama Suite 100

Houston, Texas 77006-4105

Telephone (713)526-2226

Facsimile (713) 526-3787

FACSIMILE COVER SHEET

DATE: June 23, 2020

TO: Berenice Rojo

FAX: 844-202-0928

RE: ZS Food Mart
Response Letter

FROM: Clyde Burleson

NUMBER OF PAGES (INCLUDING COVER PAGE): 4

☐ Attachment ☐ For review/comment ☐ Please reply ☐ FYI

MESSAGE:

Your attention to this matter is greatly appreciated. If you have any questions, please do not hesitate to contact our office.

ORIGINAL/COPY WILL _____ WILL NOT _____ be mailed.

Unless otherwise indicated or obvious from the nature of the transmittal, the information contained in this facsimile message is attorney privileged and confidential information intended for the use of the individual/entity named above. If you receive this fax in error, please immediately notify the sender by telephone at our expense. Thank you.

Clyde W. Burleson, P.C.

1533 W. ALABAMA, STE. 100
HOUSTON, TX 77006
TELEPHONE: (713) 526-2226
FACSIMILE: (713) 526-3787

June 22, 2020

Attn: Berenice Rojo
USDA, Food and Nutrition Service
Via email and facsimile transmission:
Berenice.rojo@usda.gov
(844) 202-0928

RE: Request for Civil Monetary Penalty
Naghma B. Shaikh, Bashir Shaikh
ZS Food Mart
3719 Lockwood
Houston, Texas 77026

Dear Ms. Rojo:

Please accept this letter as my client's request for a Civil Monetary Penalty ("CMP") in lieu of permanent disqualification. ZS Food Mart was notified that it was charged with trafficking as defined in Section 271.2 of the SNAP Regulations. The letter notifying my client of the charge was dated June 12, 2020. It was signed by Sanela Ocanovic, Section Chief, Retailer Operations Division, USDA, Food and Nutrition Service, Supplemental Nutrition Assistance Program. A power of attorney authorizing this firm to act on behalf of ZS Food Mart is attached for your review.

7 CFR 278.6 sets out the criteria to be considered in determining whether a CMP is appropriate: (i) whether the firm has established and implemented an effective compliance policy as specified in § 278.6(i)(1); (ii) whether the firm established that both its compliance policy and program were in operation at the location where the violations occurred prior to the occurrence of

the violations cited for in the charge letter sent to the firm, (iii) whether the firm had developed and instituted an effective personnel training program as specified in § 278.6(i)(2), and (iv) whether firm ownership was not aware of, did not approve, did not benefit from, or was not in any way involved in the conduct or approval of trafficking violations; or it is only the first occasion in which a member of firm management was aware of, approved, benefited from, or was involved in the conduct of any trafficking violations by the firm (7 C.F.R. § 278.6(i); *see also* 7 U.S.C. § 2021(b)(3)(B)) (FNS has “the discretion to impose a civil penalty ... in lieu of disqualification ... [if] there is substantial evidence that [the firm] had an effective policy and program in effect to prevent violations of the” FSA.).


ZS Food Mart meets those criteria. The business has been in operation since 2003. Since the beginning of its operations, ZS Food Mart has trained its employees regarding SNAP benefits. Prior to the violations alleged in the Department’s letter, all of the store employees were required to meet with the owners and/or managers and were trained on the proper use of SNAP benefits and the store’s obligations under the SNAP Program before beginning their first shift. Prior to the Department’s letter there have not been any warnings or any advisements of violations by the FNS. This period of almost seventeen (17) years with no issues is evidence that the training program was effective and working.

It should be noted that the area where ZS Food Mart is located is economically disadvantaged and densely populated. There are no other food store locations within an approximately one-mile radius of ZS Food Mart that accept SNAP benefits. A sanction of disqualification will harm the residents of the area that rely on using their SNAP benefits at ZS Food Mart as it will further limit their access to affordable and nutritious food.

Attached to this letter I have provided an affidavit of Bashir A. Shaikh affirming the statements made herein are within his personal knowledge and are true and correct. I have also included photos of the store and the surrounding area as evidence of its location in an economically disadvantaged area and the impact a disqualification would have on the surrounding community.

Due to the surrounding circumstances, ZS Food Mart should be eligible for a civil money penalty or in the alternative disqualification for one year at the most.

Respectfully Submitted,



Clyde Burleson
Clyde W. Burleson, P.C.
SBN: 00796278
1533 W. Alabama, Ste. 100
Houston, TX 77006
Tel: (713) 526-2226
Fax: (713) 526-3787
clyde@burlesoncraig.com
Attorney for ZS Food Mart

STATE OF TEXAS

COUNTY OF HARRIS

§
§
§
§

AFFIDAVIT

Before me, the undersigned notary, on this day personally appeared Bashir A. Shaikh, a person whose identity is known to me. After I administered an oath to him, upon his oath, stated as follows:

"My name is Bashir A. Shaikh. I am over the age of eighteen, am of sound mind and am capable of making this affidavit. All facts contained within the foregoing document are within my personal knowledge and are true and correct."

Further, affiant sayeth naught.

Bashir A. Shaikh

Bashir A. Shaikh

Before me, the undersigned authority, on this 23rd day of June, 2020, the person whose name is signed to the foregoing affidavit personally appeared and, duly sworn by me, states under oath that he or she has read the affidavit, and that all the facts therein set forth are true and correct.

Lauren Neely

Notary Public, State of Texas



STATE OF TEXAS

COUNTY OF HARRIS

§
§
§
§
§

POWER OF ATTORNEY

I, Bashir A. Shaikh, on behalf of Z S Food Mart, hereby appoint Clyde W. Burleson, P.C. and its employees as Agent and attorney acting on behalf of my entity for the following purposes:

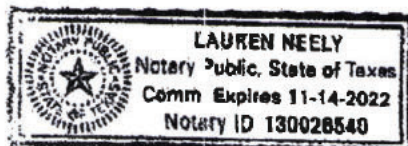
1. To discuss my Supplemental Nutrition Assistance Program and Electronic Benefit Transfer transactions.
2. To provide information as requested for purposes of my case and/or accounts and/or application and/or permit(s).


I grant the above named AGENT full power to substitute one or more attorneys or other representatives to carry out the powers and duties specified above.



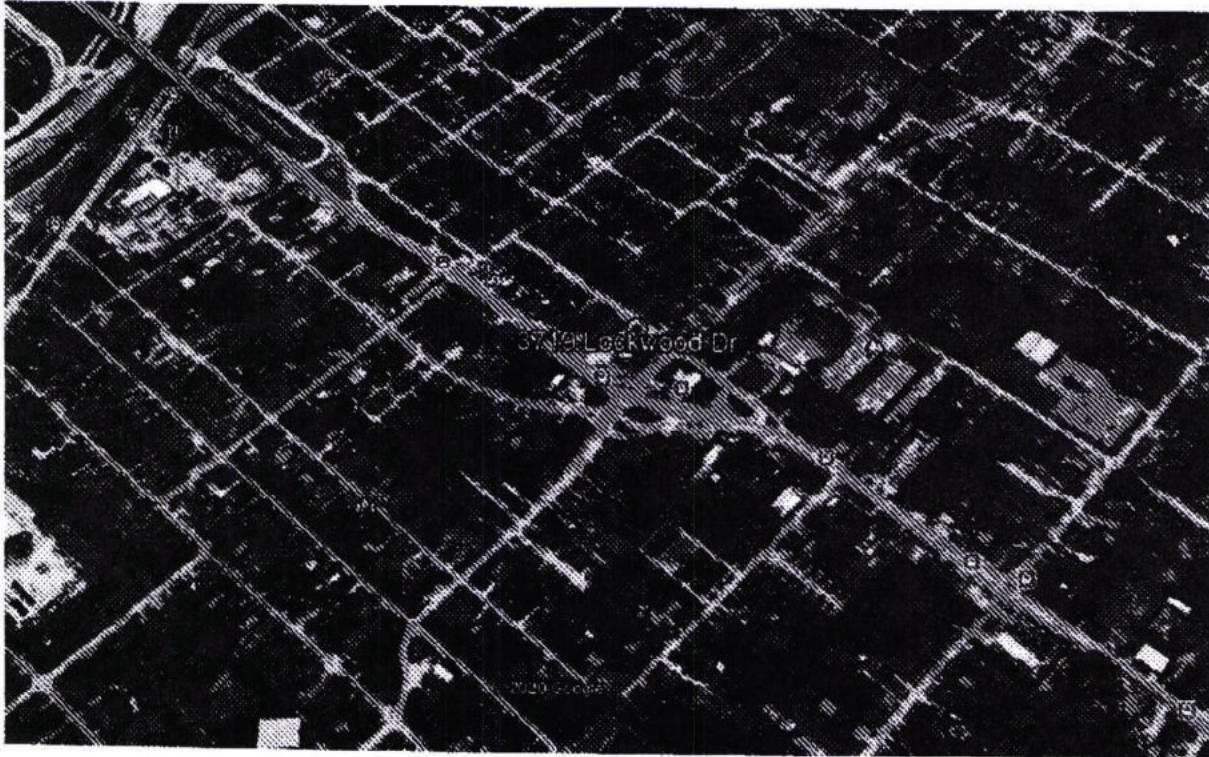
Bashir A. Shaikh
Z S Food Mart

Before me, the undersigned authority, on this 23rd day of June, 2020, the person whose name is signed to the foregoing affidavit personally appeared and, duly sworn by me, states under oath that he or she has read the affidavit, and that all the facts therein set forth are true and correct.




Notary Public, State of Texas

AREA SURROUNDING Z S FOOD STORE



ZS FOOD MART



NEIGHBORHOOD BEHIND ZS FOOD STORE



STATE OF TEXAS

COUNTY OF HARRIS

§
§
§
§

POWER OF ATTORNEY

I, Bashir A. Shaikh, on behalf of Z S Food Mart, hereby appoint Clyde W. Burleson, P.C. and its employees as Agent and attorney acting on behalf of my entity for the following purposes:

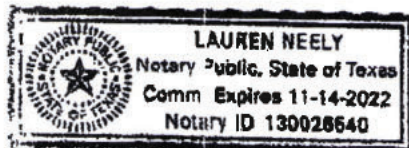
1. To discuss my Supplemental Nutrition Assistance Program and Electronic Benefit Transfer transactions.
2. To provide information as requested for purposes of my case and/or accounts and/or application and/or permit(s).

I grant the above named AGENT full power to substitute one or more attorneys or other representatives to carry out the powers and duties specified above.



Bashir A. Shaikh
Z S Food Mart

Before me, the undersigned authority, on this 23rd day of June, 2020, the person whose name is signed to the foregoing affidavit personally appeared and, duly sworn by me, states under oath that he or she has read the affidavit, and that all the facts therein set forth are true and correct.




Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF HARRIS

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POWER OF ATTORNEY

I, Bashir A. Shaikh, on behalf of Z S Food Mart, hereby appoint Clyde W. Burleson, P.C. and its employees as Agent and attorney acting on behalf of my entity for the following purposes:

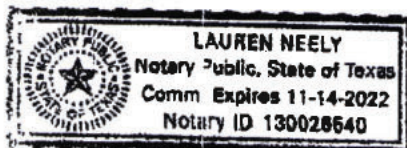
1. To discuss my Supplemental Nutrition Assistance Program and Electronic Benefit Transfer transactions.
2. To provide information as requested for purposes of my case and/or accounts and/or application and/or permit(s).

I grant the above named AGENT full power to substitute one or more attorneys or other representatives to carry out the powers and duties specified above.



Bashir A. Shaikh
Z S Food Mart

Before me, the undersigned authority, on this 23rd day of June, 2020, the person whose name is signed to the foregoing affidavit personally appeared and, duly sworn by me, states under oath that he or she has read the affidavit, and that all the facts therein set forth are true and correct.




Notary Public, State of Texas

Retailer Reply and Case Sanction Recommendation

FNS #: 5987083

Store Name: ZS FOOD MART

Owner's Name(s): Naghma B Shaikh, Bahir Shaikh

Attorney's Name: Clyde W. Burleson, P.C.

Program Specialist: Berenice Rojo

Section Chief: Sanela Ocanovic

Recommendation: *Permanent Disqualification*

Date(s) and method of Retailer's Response to Charge Letter:

- 6/23/20-written response/affidavit/photos

If FOIA was requested, FOIA information must be filled in below. If no FOIA was requested, please list N/A.

FOIA requested date: N/A

FOIA response completed date: N/A

FOIA appeal requested date: N/A

FOIA appeal completed date: N/A

Summary of Retailer's Response:

- *Client requests Civil Money Penalty in lieu of Permanent Disqualification.*
- It was stated that Z's Food Mart meets the TCMP criteria.
- It was stated that the store opened since 2003.
- It was stated that the employees had been trained and were required to meet with the owners/managers prior to working.
- It was stated that there were no warnings or advisements of violations by FNS.
- It was stated that the store had no issues in 17 years and this is evidence that the training program was effective.
- It was stated that the area where Z's is located is economically disadvantaged and densely populated.
- It was stated that there are no other food store locations within a mile radius and this will impact the residents in the area.

Fiscal Claim Evaluation: Not Applicable

- Only applicable for traditional trafficking cases and not imposed on EBT cases.

Hardship CMP Consideration: Ineligible

- A civil money penalty for hardship to SNAP households may not be imposed in lieu of a permanent disqualification (278.6(f)(1))

Request for Trafficking CMP: Ineligible

- CL was received on 6/15/20. The written request was received on 6/23/20(timely).
- The store stated that employees were trained; but they failed to provide us with any documentation or evidence to support their statement.
- The store does not meet the 4 TCMP criteria. As such, they are ineligible for a TCMP (see below).

Z's Food Mart/FNS# 5987083 Trafficking Civil Money Penalty Evaluation		
Criterion 1: The firm must submit written and dated statements of internal policy that reflect a commitment to ensuring that the firm is operated in a manner consistent with SNAP regulations and policy.		
a. Documents reflecting company policy intended to terminate the employment of employees found to be violating SNAP regulations.		Not Met.
b. Documents reflecting operating policy intended to initiate corrective action following complaints of SNAP violations or irregularities.		Not Met.
c. Documents reflecting development and continued operation of internal reviews of employee compliance with SNAP regulations.		Not Met.
d. Records of previous violations under the same ownership.		Not Met.
e. Any other information the firm may present for consideration.		Not Met.
Criterion 2: The firm shall have established that both its compliance policy and program were in operation at the location where the violations occurred prior to the occurrence of violations cited in the charge letter sent to the firm:		
a. The documentation provided must establish that the policy statements were provided to the violating employee(s) prior to the commission of any violation.		Not Met.
Criterion 3: The firm shall have developed and instituted an effective personnel training program as specified in section 278.6(1) (2) of the regulations		
a. Dated training curricula and records of dates training sessions were conducted.		Not Met.
b. A record of dates of employment of firm personnel; and		
c. Documentation of the participation of the violating employee(s) in initial and any follow-up training held prior to the violation(s) in question.		
A training program will be considered effective if it meets the following standards:		
a. Training for all managers and employees, whose work brings them into contact with SNAP benefits or are assigned to a location where SNAP benefits are accepted, handled or processed, shall be conducted within one month of the institution of the compliance policy under Criterion 1. Employees hired subsequent to the institution of the compliance policy must be trained within one month of employment. Thereafter, all employees must be retrained periodically.		
b. Training must be designed to establish a level of competence that assures compliance with SNAP regulations; and		
c. Written materials, which may include FNS publications available to all authorized firms, are used in the training program. Such materials must clearly state that the exchange of SNAP benefits for cash (trafficking), and the exchange		

Z's Food Mart/FNS# 5987083 Trafficking Civil Money Penalty Evaluation	
of SNAP benefits for firearms, ammunition, explosives, or controlled substances is prohibited and in violation of SNAP regulations.	
Criterion 4: Firm ownership was not aware of, did not approve, did not benefit from, or was not in any way involved in the conduct or approval of trafficking violations. Or it is the first occasion in which a member of firm management was aware of, approved, benefited from, or was involved in the conduct of any trafficking violations by the firm.	
<p>Individuals are considered to be part of the firm's management if:</p> <p>a) They have substantial supervisory responsibility with regard to directing the activities and work assignments of store employees, or</p> <p>b) Have authority to hire employees for the store or terminate the employment of individuals working at the store.</p> <p>In determining whether ownership benefited from trafficking in which they were not directly involved, it is generally assumed that if EBT settlements are made to the owner's account the owner has benefited.</p>	Not Met.

Conclusion:

According to Food and Nutrition Act of 2008, amended, 7 U.S.C. §2021 and 278 of Title 7 of the Code of Federal Regulations (CFR), permanent disqualification is warranted. FNS transaction data and the overall store record convincingly demonstrate repetitive patterns of unusual, irregular, and inexplicable SNAP activity for this type of firm, and are therefore indicative of trafficking. Ownership did not provide sufficient evidence to legitimize transaction data detailed in the Charge letter. FNS policy requires ***permanent disqualification*** for trafficking.



United States Department of Agriculture
Food and Nutrition Service
Supplemental Nutrition Assistance Program

July 6, 2020

Clyde Burleson
Clyde W Burleson, P.C.
1533 W. Alabama
Suite 100
Houston, TX 77006

RE: ZS FOOD MART
3719 LOCKWOOD
HOUSTON, TX 77026

Dear Sir or Madam:

Consideration has been given to the information and evidence available to us relating to our letter of charges dated June 12, 2020, and to your reply of June 23, 2020. We find that the violations cited in our charge letter occurred at your firm.

We considered your eligibility for a trafficking civil money penalty (CMP) according to the terms of Section 278.6(i) of the Supplemental Nutrition Assistance Program (SNAP) regulations. We have determined that you are not eligible for the CMP because you failed to submit sufficient evidence to demonstrate that your firm had established and implemented an effective compliance policy and program to prevent violations of the Supplemental Nutrition Assistance Program.

Therefore, your firm shall be permanently disqualified from the Supplemental Nutrition Assistance Program, effective upon receipt of this letter. This is in accordance with Section 278.6(c) and 278.6(e)(1) of the SNAP regulations.

If you continue to accept SNAP after receipt of this notice, you may be subject to additional fines and penalties.

This determination will be final unless you submit a written request for review to the Chief, Administrative Review Branch, USDA, FNS, 1320 Braddock Place, 5th Floor, Alexandria, Virginia 22314. Your request for review must be postmarked by midnight of the 10th calendar day after you receive this letter, in order to be considered timely. If the 10th calendar day of the period for requesting review falls on a Saturday, Sunday or legal (Federal) holiday, as specified in Section 279.2(c) of the SNAP regulations, a request for review will be timely if it is postmarked the next day which is not a Saturday, Sunday or legal (Federal) holiday. The rules governing your review rights are contained in Section 278.6(n) and Part 279 of the SNAP regulations.

During this review process, you may not accept SNAP benefits until a decision is rendered. If the permanent disqualification of your firm is later reversed through administrative or judicial review, USDA shall not be liable for the value of any sales lost during the period of disqualification you served (SNAP regulations Section 278.6(c)).

This determination shall not preclude the Department of Agriculture or any other agency or department of the United States from taking further action to collect any claim determined under the SNAP regulations or under any other pertinent statutes or regulations, nor shall this determination preclude prosecution under any applicable laws.

Your Electronic Benefit Transfer (EBT) processor will be advised to disable your EBT connection. If your EBT machine is government-supplied, it must be returned to the processor. If you accept SNAP benefits after the effective date of disqualification, you will be subject to a monetary fine per Section 278.6(m) of the SNAP regulations and possible prosecution under applicable laws.

If you are an authorized vendor under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), you may be disqualified from the WIC Program as a result of your disqualification from the SNAP. In accordance with current law governing both the SNAP and the WIC Program, such a WIC Program disqualification is not subject to administrative or judicial review under the WIC Program. A CMP from the Supplemental Nutrition Assistance Program may also result in a WIC Program disqualification, but such a disqualification would be subject to administrative and/or judicial review.

In the event that you sell or transfer ownership of your store subsequent to your disqualification, you will be subject to and liable for a CMP as provided by SNAP regulations Sections 278.6(f)(2), (3), and (4). The amount of this sale or transfer CMP will be calculated based on SNAP regulations at 278.6(g).

We may disclose information to the public when a retailer has been disqualified or otherwise sanctioned for violations after the time for any appeals has expired. This information is limited to the name and address of the store, the owner(s)/officer(s) names and information about the sanction itself.

Current SNAP regulations are available online, at <https://www.fns.usda.gov/snap/retailers-store-training-information>.

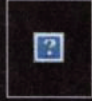
If you have questions, please call Berenice Rojo at (213) 330-2445.

Sincerely,



Sanela Ocanovic
Section Chief, Retailer Operations Division
USDA, Food and Nutrition Service
Supplemental Nutrition Assistance Program

From: [UPS Quantum View](#)
To: [Rojo, Berenice - FNS](#)
Subject: UPS Delivery Notification, Tracking Number 1ZA18E032497245146
Date: Wednesday, July 8, 2020 8:20:27 AM



Hello, your package has been delivered.

Delivery Date: Wednesday, 07/08/2020

Delivery Time: 10:19 AM

Left At: OFFICE

Signed by: SUNNY

USDA/FNS/ROD

Tracking Number:

[1ZA18E032497245146](#)

Ship To:

Z'S FOOD MART
3719 LOCKWOOD
HOUSTON, TX 770265475
US

Number of Packages:

1

UPS Service:

UPS Next Day Air?

Package Weight:

0.0 LBS



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